

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

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| (1) DEPARTMENT General Services Agency | (2) MEETING DATE 5/20/2014 | (3) CONTACT/PHONE Curtis Black, Deputy Director – GSA-County Parks 781-5204 | |
| (4) SUBJECT Review a request by the Land Conservancy of San Luis Obispo for \$1,000,000 of Park Public Facility Fees to assist in the purchase of the Pismo Preserve and approve a budget adjustment in the appropriate amount from Park Public Facility Fee Fund Center (FC) 247 to Parks Land Fund Center (FC) 30504. District 3. | | | |
| (5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Review this report and determine if \$1,000,000 or some other amount, if any, is an appropriate amount of Park Public Facility Fee funding to designate to the Land Conservancy for the acquisition of the property known as the Pismo Preserve; and 2. If funding is provided: <ol style="list-style-type: none"> a. Approve Resolution of findings for use of Public Facilities Fees for the subject project; b. Amend the Public Facility Fund, Public Facilities Financing Plan Chapter 3.3 Park Facility Inventory to include designating \$1,000,000 to the Land Conservancy for the purchase of Pismo Preserve as eligible for Public Facility Fee funding; c. Approve a budget adjustment of the approved amount from the Park Public Facilities Fee FC 247 to Parks-Land FC 30504 to fund acquisition of the property known as the Pismo Preserve by 4/5 vote; and d. Authorize the GSA Director to complete and sign a written agreement between General Services Agency and the Land Conservancy of San Luis Obispo to include all appropriate requirements for the use of public funding. | | | |
| (6) FUNDING SOURCE(S) Park Public Facility Fees Fund Center 247 | (7) CURRENT YEAR FINANCIAL IMPACT \$1,000,000 | (8) ANNUAL FINANCIAL IMPACT \$0.00 | (9) BUDGETED? No |
| (10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input checked="" type="checkbox"/> Board Business (Time Est. 40 min.) | | | |
| (11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A | | | |
| (12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A | | (13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: 1314146 <input checked="" type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A | |
| (14) LOCATION MAP Attached | (15) BUSINESS IMPACT STATEMENT? No | (16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date: _____ | |
| (17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson | | | |
| (18) SUPERVISOR DISTRICT(S) District 3 | | | |

County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency / Curtis Black, Deputy Director – County Parks

DATE: 5/20/2014

SUBJECT: Review a request by the Land Conservancy of San Luis Obispo for \$1,000,000 of Park Public Facility Fees to assist in the purchase of the Pismo Preserve and approve a budget adjustment in the appropriate amount from Park Public Facility Fee Fund Center (FC) 247 to Parks Land Fund Center (FC) 30504. District 3.

RECOMMENDATION

It is recommended that the Board:

1. Review this report and determine if \$1,000,000 or some other amount, if any, is an appropriate amount of Park Public Facility Fee funding to designate to the Land Conservancy for the acquisition of the property known as the Pismo Preserve; and
2. If funding is provided:
 - a. Approve Resolution of findings for use of Public Facilities Fees for the subject project;
 - b. Amend the Public Facility Fund, Public Facilities Financing Plan Chapter 3.3 Park Facility Inventory to include designating \$1,000,000 to the Land Conservancy for the purchase of Pismo Preserve as eligible for Public Facility Fee funding;
 - c. Approve a budget adjustment of the approved amount from the Park Public Facilities Fee FC 247 to Parks-Land FC 30504 to fund acquisition of the property known as the Pismo Preserve by 4/5 vote; and
 - d. Authorize the GSA Director to complete and sign a written agreement between General Services Agency and the Land Conservancy of San Luis Obispo to include all appropriate requirements for the use of public funding.

DISCUSSION

The Land Conservancy of San Luis Obispo County (LCSLO) is a local non-profit organization that has served our county for 25 years. Since 1984 the LCSLO has conserved over 14,700 acres of open space and farm lands. Their mission is: "Through voluntary and collaborative measures, The Land Conservancy of San Luis Obispo County works to permanently protect and enhance lands having important scenic, agricultural, habitat and cultural values for the benefit of people and wildlife."

In addition to conservation, since 1996, LCSLO has taken on the task of restoring the Octagon barn on Higuera Street just south of the San Luis Obispo city limits. The Land Conservancy has restored the historic Octagon Barn and in partnership with GSA-County Parks, its future parking area will serve as a trailhead for the Bob Jones Pathway. From 1984 to date, the LCSLO has received generous community support both in addressing needs of open space preservation and in restoration of the Octagon Barn.

Proposed Project

Recently the Land Conservancy entered into a land purchase agreement to secure a 900-acre private ranch in San Luis Obispo County east of the City of Pismo Beach (Attachment 1) in an effort to create the Pismo Preserve. This proposed preserve would be open to the public as early as summer 2015 for outdoor recreation opportunities including hiking, mountain biking, horseback riding, bird watching and exploring the flora and fauna of the area.

LCSLO sees this property as essential in that availability of open space encourages active lifestyles and can help address the obesity health crisis facing the United States. If successful, this project will also provide a boost to the local economy by attracting tourists to local hotels and new home buyers to local towns and cities.

The land purchase is contingent upon fund raising and LCSLO is seeking partners to fund the purchase of Pismo Preserve. To successfully create the proposed Pismo Preserve, The Land Conservancy must raise approximately \$12 million dollars by July 2014. \$8 million has been requested of State agencies (California Coastal Conservancy and California Wildlife Conservation Board). Regional and local funding sources must provide the remaining funding, leaving the project's future in the hands of the community.

On April 1, 2014 the LCSLO provided a written request for funding including the project details and costs (Attachment 2). The LCSLO is seeking \$1,000,000 of San Luis Obispo County Park Public Facility Fee (PPFF) funds to assist in the purchase of Pismo Preserve.

Ongoing Maintenance

Ongoing maintenance of this open space is a topic as important as its purchase and construction. Should a park be constructed it is critical to provide adequate operational funding to maintain a safe, usable and attractive park. LCSLO has provided a strong commitment to maintain this park and provide both administrative and public access programming support at no cost to the County beyond the purchase investment. A portion of the purchase price will be returned to the buyers in the form of an endowment to assist with future maintenance costs.

Use of PPFF Funds

Park Public Facility Fee (PPFF) funds are collected through residential development and are placed into one countywide fund. A summary of PPFF accounts as of March 31, 2014 is found in Attachment 3 and notes that \$2,516,780 is available as undesignated PPFF funds. Each year PPFF funds accrue as residential development occurs and an average \$425,000 has been received per year over the previous five years.

County Counsel has reviewed Title 18 - Public Facility Fees Ordinance and the related Public Facility Fee Financing Plan and finds that the amendment to Chapter 3.3 Park Facilities Inventory of the Public Facility Fee Financing Plan, through a Board resolution, would enable the use of PPFF funds for this project.

It is not unusual for County Parks to provide PPFF funds to other agencies for purchase of land and/or development of recreational facilities for public good. Recent dedications of PPFF funds included: construction of Jack Ready Imagination Park; landscape construction at the San Luis Obispo Botanical Gardens and Wild Cherry Canyon acquisition. While the Wild Cherry Canyon purchase was not completed as planned, all of the PPFF funds committed to that project were returned to the County with accrued interest.

Priority Park Projects

GSA-County Parks has a list of 18 projects in various stages of planning and development, all eligible for PPFF funding (Attachment 4). These projects are ranked in priority order based on criteria contained in the Parks and Recreation Element of the San Luis Obispo County General Plan. The funds available are not adequate to fund all of the priority projects. Therefore, it is necessary to review these projects and focus funding on those that best meet community needs and projects that can be completed as planned.

Many of the projects on the priority list qualify for grant funding from various sources, however, PPFF funds are often required to provide the local matching funds that grants usually require. Many of the projects on the list do not have estimated project costs because the programming phase of the project is not complete. However, in order to provide the Board with some perspective, the number one project on the list is the Bob Jones Pathway – SLO to Ontario Road which has been estimated to cost approximately \$8 to \$10 million. Based on the amount of money available in PPFF, the County is far short of the required investment.

Another example of an impact that could materialize is priority project 3, San Miguel Community Park Expansion. This project relies upon a requested Land and Water Fund grant of \$500,000 to complete. This grant has received State approval and Federal approval is anticipated in summer 2014. Should that grant somehow fail to be approved, it is anticipated that the \$500,000 would be requested from PPFF funds.

Other projects on the list have Master Plans completed for the following parks: Nipomo, Biddle and Norma Rose. Significant funding would also be required to complete the identified amenities and facilities in each Master Plan and some amenities would also require additional operating funds.

Based on the Parks and Recreation Element criteria, the Pismo Preserve Purchase has ranked 14 out of 18 on the priority project list.

Park Policies

The Parks and Recreation Element of the County General Plan has several policies that relate well to this project:

Goal #2, Objective B: Provide new and expanded recreation within the County consistent with Chapter 8 Parks and Recreation Project List and County's available funding.

Policy 3.3 Seek joint use agreements, volunteer and other partnership opportunities to augment recreational services and reduce costs.

Goal#2, Objective C: Provide a multi-use trail system which is protective of private property interests and public resources, and consistent with Chapter 8 Parks and Recreation Project List.

Policy 3.7 County Parks shall consider as the highest priority those trail projects which: (4) will be popular due to their length or location; (7) Include a funding source; and, (8) Minimize costs of development and maintenance.

Chapter 8 Project List San Luis Bay Planning Area:

Proposed County Parks, Recreation and Natural Areas p. 91 –

Price Canyon Natural Area – "... provide a natural area/regional park in this area. Provide passive recreation, resource protection, and maintenance consistent with the natural area plan. *Not Mapped.*"

Juan Bautista di Anza National Historic Trail – "In SLO County the path extends along Highway 1 north to Price Canyon ..."

Oak Woodlands – "Preservation of native oak groves, passive recreation, and nature study. *Not Mapped.*"

Joint Use Agreements – "Maximize park, natural areas, and recreation opportunities by joint use agreements when such an agreement will provide a net benefit to residents residing in the County's unincorporated area. The project's benefit must be equal to or greater than the long-term cost associated with the project. *Not Mapped.*"

Partnering with LCSLO, private donors and other public agencies for the purchase of Pismo Preserve is consistent with listed County policies above.

OTHER AGENCY INVOLVEMENT/IMPACT

On February 27, 2014 the County Parks and Recreation Commission placed "Assist in Purchase of Pismo Preserve" onto the Priority Projects list and endorsed the Purchase of the Pismo Preserve as worthy of local and regional agencies' support.

On April 24, 2014 the County Parks and Recreation Commission recommended that the Board provide \$1,100,000 of PPFF funding to assist in purchase of Pismo Preserve. This is \$100,000 more than the amount requested by LCSLO.

FINANCIAL CONSIDERATIONS

The funds available are not adequate to fully fund all 18 priority projects listed by GSA-County Parks. Current cost estimates have not been completed for all projects, but as noted in the Bob Jones Pathway – SLO to Ontario Road example, the estimated cost of approximately \$8 to \$10 million is far short of the required funding to complete the project. The current total funding for this project is \$2.4 million with \$1.4 million provided by PPFF.

The current undesignated balance of PPFF funds is \$2,516,780, and if the requested \$1,000,000 of PPFF funds is provided there would be \$1,516,780 of undesignated funds remaining, as noted in attachment 3. Additional PPFF funds accrue at the five-year average rate of \$425,000 per year. Clearly, based on the amount of undesignated funds and anticipated annual revenue in PPFF additional funding is required to complete all 18 projects.

Ongoing maintenance will have no impact to GSA-County Parks operating budget. LCSLO intends to provide for all maintenance and repairs.

RESULTS

Providing funds to assist in the purchase of Pismo Preserve would help to provide unique parklands suitable for public hiking, biking, equestrian and passive recreation with no ongoing costs to the County. Acquisition of the Pismo Preserve and its subsequent opening to public recreational use would help provide a healthy and livable community.

ATTACHMENTS

1. Pismo Preserve Site Map
2. The Land Conservancy of San Luis Obispo County Request for Funding
3. Park Public Facility Fee Funds Detail
4. Park's Priority Projects Eligible for PPFF
5. Resolution